

Feb. 5, 1954

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RASTOVOROV JAPAN SPY NETWORK OUTLINED

Tokyo, YOMIURI, in Japanese, Feb. 5, 1954--T

(Excerpts)

Security authorities have confirmed that the Soviet network of espionage activities in Japan, with the former Soviet mission in Tokyo as the key, consisted of several spy rings. Second Secretary Yuri A. Rastovorov, responsible to the Ministry of Internal Affairs, had been directing the biggest and most powerful spy ring in Japan. Furthermore, Rastovorov had been directing the Military Committee of the Japan Communist Party.

The authorities expect the Soviet side to reorganize its spy network and make some personnel changes if Rastovorov makes detailed disclosures. This also may lead to arrest of the underground leaders of the Japan Communist Party. They also appear to have obtained evidence on the relations between the North Korean spy ring and the Rastovorov network of espionage activities.

According to the authorities, Rastovorov is a political aide and concurrently a member of the Political Advisory Group sent by the Ministry of Internal Affairs to assist Pavlychev, head of the Political Advisory Group of the former Soviet mission in Tokyo, and not second secretary as listed. He had been in charge of the Military Committee of the Japan Communist Party on guidance, liaison, and economic work.

As of September 1953, the former Soviet mission in Tokyo consisted of the Political Advisory Group under Pavlychev and Rastovorov, the Economic Advisory Group under Domnitzki, the Secretariat under (Major?) Zamenchev, the Cultural Division under Nasenko, the Trade Mission under Domnitzki, the Consular Division under Consul Savelyev, the Navy Division under Second Secretary Krinizin, and the Guard Division under Col. Grachev.

Five spy rings headed by respective divisional heads exist within the former Soviet mission in Tokyo under the Political Advisory Group responsible to the Ministry of Internal Affairs, the Secretariat responsible to the Red Army, the Cultural Division responsible to TASS news agency, the Trade Mission responsible to the Ministry of Trade, and the Consular Division responsible to the Ministry of Foreign Affairs.

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In addition, the former Soviet mission itself operates five spy rings.

They are: 1--the Japan Communist Party and fellow travelers; 2--Soviet residents in Japan, including White Russians of different nationalities, stateless persons, and Jewish-Americans; 3--trading firms of American, Japanese, and other nationalities; 4--Japanese repatriates from the Soviet Union; and 5--Pavlychev's own agents.

In political intrigues the members of the Political Advisory Group are believed to have participated in an attempt to throw Japanese economy into confusion by use of U.S. dollars obtained through illegal transactions and counterfeit dollar bills, and to have directed trade between Japan and the Soviet Union.

An A.P. report stated two unnamed members of the former Soviet mission wanted to seek political asylum. It is believed that Rodin, who had been in charge of the spy ring enlisting the service of the Japan Communist Party and fellow travelers, was one of them. Future moves of Madam Kilirenko, self-styled typist who had been Rastovorov's co-worker, are being closely watched. The same report also said that Rastovorov's spy agents have contacted some high-ranking Japanese Government officials. It is believed "K" and "I", members of the House of Representatives and former Cabinet members, are among such officials. Furthermore, the same spy agents appear to have infiltrated into a "new information bureau" which was originally planned as a State-managed news agency.

The Third Public Safety Section of the Metropolitan Police Board is pressing an investigation of Constantine Zakharov, a Russian who was occupying a room in the Peace Dormitory in Akabane, where the stolen films on training of the National Safety Force were recovered in a raid on the North Korean spy ring.

Zakharov's Japanese father is a former interpreter of the former Soviet mission and his Russian mother is a former editor of the organ put out by the Association of Soviet Residents in Japan. Zakharov himself is an active member of the organization. The authorities are said to have obtained evidence on his connection with Rastovorov's spy ring.

Consul Savelyev on Jan. 28 told the members of the organization of Soviet residents in Japan that the American side has taken Rastovorov in an attempt to obstruct diplomatic relations between Japan and the Soviet Union.

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Ito Sought South Korea

Tokyo, KYODO, in Japanese and English, Feb. 7, 1954, 0645 GMT--T

(Text)

Tokyo, Feb. 7--Masutomi Ito, head of the discredited Hozen Keizaikai, has confessed to police that he attempted to flee to South Korea, his motherland, prior to his arrest on Jan. 26, informed procuratorial sources revealed today. Ito, whose alleged large political donations to prominent political figures have caused a sensation in the Diet, said he was to become the South Korean Finance Minister if he had made good his escape to the Korean peninsula.

According to procuratorial sources, Ito sought to smuggle himself out of this country in anticipation of possible arrest after his attempt to use large political donations as a means of legalizing his agency as an investment bank proved abortive. Procuratorial authorities reportedly have seized concrete evidence clarifying relations between Hozen Keizaikai and former Agriculture-Forestry Minister Rikizo Hirano and other prominent political figures, and Rightist leaders such as Yoshio Kodama and Giichi Miura.

Ito is said to have confessed his intention of swindling the 150,000 petty investors in his agency since it was set up in 1948. The agency took in 4.5 billion yen through 200 branch offices throughout the country by offering an exorbitantly high interest rate of 8 percent--and later 3 percent--per month before it suddenly closed its doors last October. Procuratorial authorities have finished 80 percent of their exhaustive investigation into his activities. They have also seized evidence that Ito diverted scores of millions of yen in cash into a hotel operated by his mistress in Kyoto City just prior to the suspension of his business.

Ever since Socialist representative Rikizo Hirano, advisor to the Hozen Keizaikai, made his "bombshell" statement before the Lower House Administrative Supervision Committee Feb. 1 disclosing the names of several prominent political figures as members of Ito's donations, it has been rumored that the assassination of Ito is being plotted by Rightist elements.

Justice Minister Ken Inukai told the Lower House Budget Committee Friday that police and procuratorial authorities are taking every possible precaution against any attempt on Ito's life. The metropolitan police, who are detaining Ito, have placed a ban on Ito's interviews with outsiders and are keeping strict watch on his movements in his cell and on the food and other gifts brought to him from outside.